

EXHIBIT D

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: . Chapter 11
W.R. GRACE & CO., et al., . Case No. 01-01139 (JKF)
Debtors. . Jointly Administered
. June 19, 2006 (1:56 p.m.)
. (Wilmington)

TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE JUDITH K. FITZGERALD
UNITED STATES BANKRUPTCY COURT JUDGE

Proceedings recorded by electronic sound recording;
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1 property where we've done the calculation, and we've told
2 them what the calculation is. And no one's said that our
3 calculation is wrong. To the contrary, they've said that
4 they don't have any reason to disagree with that calculation,
5 which makes unpacking the package become so critical. But
6 still, as Mr. Inselbuch indicates, and he's basically telling
7 Your Honor not only a prophecy, but he's basically laying
8 down the law here in the case, none of it's going to do any
9 good. And why is none of it going to do any good? Because
10 his constituency is not prepared to negotiate along the lines
11 of an actual calculation of personal injury liabilities,
12 which means that we have to go ahead and gather information.
13 Now, if Your Honor will take a look at page 1 on the
14 questionnaires. We've received approximately 10,000
15 questionnaires back for personal injury. They have been -
16 about 7,000 of them have been processed. There are three
17 major deficiencies - I'll call them deficiencies, problems,
18 issues, whatever, that are visible on the face of the
19 answered questionnaires. One, there are objections that have
20 been made instead of answers given. Approximately 59/60
21 percent of the questionnaires contained objections in lieu of
22 answers, and I can go through the individual numbers, but
23 that's a figure that applies to a questionnaire where there
24 is one question that has been objected to rather than
25 answered, but I'll give Your Honor a figure, almost half of

1 the questionnaires that have been process, the objection
2 means that the entire section of the questionnaire is
3 objected to. Not just one question, but the entire section
4 of the questionnaire. For example, exposure to non-Grace
5 asbestos containing products, that is products other than
6 Grace. We went through and litigated this whole thing, it
7 should be on the questionnaire. Thirty-two hundred
8 questionnaires are returned to answer not one of those
9 questions. They're all objected to. Information regarding
10 the pulmonary function test, 1,268, which is roughly, you
11 know, it's roughly a quarter of the claims, an entire section
12 objected to. Information regarding the diagnostic process,
13 904, no questions answered. They're just all objected to.
14 So that's problem one, is, people just decided, well, you're
15 supposed to answer what the questionnaire says, but we're
16 going to object instead. Attachments, as opposed to
17 answering, where they don't answer, but they just say, the
18 information is somewhere or they produce a volume of
19 documents and they say the answer is somewhere. Sixty-seven
20 percent of the questionnaires have attachments or make
21 reference to attachments either there or elsewhere rather
22 than answer, and again, this is not a situation where it is
23 just one. The 67 percent is where there's at least one, but
24 you have for example, claims regarding asbestos and/or
25 silica, other claims being maintained against others. The

1 entire section is objected to by 1,064, one-seventh of all of
2 the answers. Exposures to non-Grace asbestos containing
3 products. In case of 1,500 questionnaires, the entire
4 section is - they simply say, here's the attachment. So, I
5 could go on and on, but these are major, major deficiencies.
6 And then here's the last statistic that's of relevance.
7 Beyond the problems that we had with the face of the answers,
8 over 43 percent of the questionnaires that have been
9 processed to date, name one or more doctors that Grace
10 suspects of using unreliable and medically unsupportable
11 diagnostic procedures, and Your Honor says, Well, you know,
12 isn't that really a technical matter, et cetera, et cetera.
13 Your Honor, the outside world for the last three years really
14 is a consequence of the Fair Act, is all over the question of
15 the medical diagnoses - so-called medical diagnoses that have
16 been used to sponsor these claims, and it's not just Judge
17 Jack anymore, it's not just Judge Jack, in fact, the trusts
18 that have been created in years past to process asbestos
19 claims have now started to reject, refuse to accept so-called
20 diagnoses that come from a list of doctors, including the
21 Manville trust, a full -

22 THE COURT: But other plans have fixed - in quotes,
23 "fixed that problem" by simply requiring that more than one
24 diagnosis come in in the event that the diagnosis is from
25 that doctor. I mean there is a way around those problems.